



May 23, 2017

Clean Fuels Michigan Testimony
Re: Support of SB 159
Name: Mike Alaimo, Executive Director

Chairman Cole and Members of the House Transportation Committee,

Thank you for allowing me to come before you today to discuss Senate Bill 159. My name is Mike Alaimo and I am executive director of Clean Fuels Michigan (CFM). CFM is a non-profit organization built of over 30 leading companies dedicated to the growth of the alternative fuels supply chain in Michigan. Our members represent several industry sectors including utilities, truck fleet operators, automakers and suppliers, transit agencies and more, all with a vested interest in growing a clean, high-tech transportation industry.

Our members deeply appreciate Chair Cole's sponsorship of this bill. While SB 159 may be perceived as a technical adjustment to make Michigan compliant with Federal law, it is of great importance to the alternative fuels industry in providing certainty to business owners utilizing compressed natural gas to power their trucks. Let me take a moment to provide you with some background.

BACKGROUND: Natural gas vehicles have some of the greatest potential of available alternative fuel technologies to displace foreign oil consumption and achieve market adoption across all classes of on-road motor vehicles. Currently there are more than 150,000 natural gas vehicles on the road today and are some of the fastest growing vehicle types in the refuse, transit, and school bus markets. Given the significant energy security, environmental, and economic benefits associated with using natural gas as a transportation fuel, CFM supports transportation policies that remove market barriers and promote the use of natural gas in the transportation sector.

THE PROBLEM: Due to the increased weight of their fuel systems, natural gas trucks weigh more than comparable diesel trucks, sometimes weighing up to 2,000 pounds more. With federal truck weight limits fixed at 80,000 pounds, this means that

full-load carriers operating natural gas trucks often must reduce their loads. As a result, carriers operating natural gas trucks can experience revenue losses of up to 2–3 percent per load, and may not be able to carry some bulk loads that are carried in fixed load trailers that cannot be easily changed.

THE SOLUTION: To address this, Congress passed the FAST Act in December of 2015. The legislation made a number of changes to the safety and enforcement of commercial motor vehicles.

(https://ops.fhwa.dot.gov/freight/pol_plng_finance/policy/fastact/tswprovisions/#background)

Specific to trucks that are powered by compressed natural gas, the following change was made according to the Federal Highway Administration:

“For the purpose of Interstate System weight limitations, the FAST Act increases the allowable weight of a natural gas vehicle by an amount equal to the difference between the weight attributable to the vehicle’s natural gas tank and fueling system and the weight of a comparable diesel tank and fueling system, up to a maximum gross vehicle weight of 82,000 pounds. [FAST Act §1410; 23 U.S.C. 127(s)]”

In other words, the FAST Act allows states to exempt the added weight of natural gas fuel tanks, up to 2,000 lbs., from interstate weight limits. 23 other states have either adopted this measure or have legislation sponsored to do so including Ohio, Indiana, and Illinois.

Rational: CFM believes SB 159 is a pro-business solution for companies that have made an investment in a domestically sourced fuel and are supporting innovations in clean transportation. By supporting this bill and allowing NGVs to carry the same amount of goods transported, actual NGV trips would be reduced, helping to better protect Michigan roads.

On behalf of Clean Fuels Michigan I again want to thank you for your time and ask that you give full consideration of supporting Senate Bill 159. THANK YOU